



DEPARTMENT OF THE INTERIOR

Office of Natural Resources Revenue

[Docket No. ONRR-2012-0006; DS63644000 DRT000000.CH7000 223D1113RT]

Agency Information Collection Activities: Federal Oil and Gas Valuation; OMB

Control Number 1012-0005

AGENCY: Office of Natural Resources Revenue (“ONRR”), Interior.

ACTION: Notice of information collection; request for comment.

SUMMARY: In accordance with the Paperwork Reduction Act of 1995 (“PRA”), ONRR is proposing to renew an information collection. Through this Information Collection Request (“ICR”), ONRR seeks renewed authority to collect information necessary to (1) verify proper reporting and payment of royalties and other amounts due pursuant to Federal oil and gas leases; (2) determine requests for prepayment or accounting and auditing relief for certain marginal properties; and (3) determine requests to exceed transportation and processing allowance limits. ONRR uses form ONRR-4393 (Request to Exceed Regulatory Allowance Limitation) as part of these information collection requirements.

DATES: You must submit your written comments on or before **[INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*]**.

ADDRESSES: All comment submissions must (1) reference “OMB Control Number 1012-0005” in the subject line; (2) be sent to ONRR before the close of the comment period listed under **DATES**; and (3) be sent using the following method:

- *Electronically via the Federal eRulemaking Portal:* Please visit <https://www.regulations.gov>. In the Search Box, enter the Docket ID Number for this ICR renewal (“ONRR-2012-0006”) and click “search” to view the publications associated with the docket folder. Locate the document with an open

comment period and click the “Comment Now!” button. Follow the prompts to submit your comment prior to the close of the comment period.

Docket: To access the docket folder to view the ICR **Federal Register** publications, go to <https://www.regulations.gov> and search “ONRR-2012-0006” to view renewal notices recently published in the **Federal Register**, publications associated with prior renewals, and applicable public comments received for this ICR. ONRR will make the comments submitted in response to this notice available for public viewing at <https://www.regulations.gov>.

OMB ICR Data: OMB also maintains information on ICR renewals and approvals. You may access this information at <https://www.reginfo.gov/public/do/PRASearch>. Please use the following instructions: Under the “OMB Control Number” heading enter “1012-0005” and click the “Search” button located at the bottom of the page. To view the ICR renewal or OMB approval status, click on the latest entry (based on the most recent date). On the “View ICR—OIRA Conclusion” page, check the box next to “All” to display all available ICR information provided by OMB.

FOR FURTHER INFORMATION CONTACT: To request additional information about this ICR, please contact Peter Christnacht, Royalty Valuation Guidance, ONRR, by email at Peter.Christnacht@onrr.gov or by telephone at (303) 231-3651. Individuals in the United States who are deaf, deafblind, hard of hearing, or have a speech disability may dial 711 (TTY, TDD, or TeleBraille) to access telecommunications relay services. Individuals outside the United States should use the relay services offered within their country to make international calls to the point-of-contact in the United States.

SUPPLEMENTARY INFORMATION: Pursuant to the PRA, 44 U.S.C. 3501, *et seq.*, and 5 CFR 1320.5, all information collections, as defined in 5 CFR 1320.3, require approval by OMB. ONRR may not conduct or sponsor, and you are not required to respond to, a collection of information unless it displays a currently valid OMB control

number.

As part of ONRR's continuing effort to reduce paperwork and respondent burdens, ONRR is inviting the public and other Federal agencies to comment on new, proposed, revised, and continuing collections of information in accordance with the PRA and 5 CFR 1320.8(d)(1). This helps ONRR to assess the impact of its information collection requirements and minimize the public's reporting burden. It also helps the public understand ONRR's information collection requirements and provide the requested data in the desired format.

ONRR is especially interested in public comments addressing the following:

(1) Whether the collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility.

(2) The accuracy of ONRR's estimate of the burden for this collection of information, including the validity of the methodology and assumptions used.

(3) Ways to enhance the quality, utility, and clarity of the information to be collected.

(4) How might the agency minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of response.

As required in 5 CFR 1320.8(d), ONRR published a 60-day notice, for review and comment, in the **Federal Register** on May 26th, 2022 (87 FR 32050). ONRR received two comments from *www.regulations.gov*.

1. Comment from United Tribal Nations Organization

Comment: All Ongwehewhewhe, Native American people are to receive Royalties from all assets, also the rights to their inherited lands, No nation shall have restricted lands/ federal trust!! No non-natives are to have any claim to any resources as these all belong to the Ongwehewhewhe, The Original People of these lands.

ONRR Response: ONRR appreciates the comment and feedback, however this Information Collection Request is related to Federal lands, not Tribal lands.

2. Comment from Anonymous

Comment: I agree with the content of this Information Collection Request.

ONRR Response: ONRR appreciates the comment and feedback.

ONRR acknowledged and provided responses to all commenters accordingly.

Comments that you submit in response to this 30-day notice are a matter of public record. ONRR will include or summarize each comment in its request to OMB to approve this ICR. Before including your address, phone number, email address, or other personal identifying information in your comment, you should be aware that your entire comment—including your personal identifying information—may be made publicly available at any time. While you can ask ONRR in your comment to withhold your personal identifying information from public review, ONRR cannot guarantee that it will be able to do so.

(a) Abstract - General Information: ONRR reviews and audits the reporting and payment of royalties and other amounts due to the United States pursuant to Federal oil and gas leases. *See* U.S. Department of the Interior Departmental Manual, 112 DM 34.1 (Sept. 9, 2020). ONRR's responsibilities include valuing oil and gas for royalty purposes, evaluating claimed transportation and processing allowances, and granting royalty prepayment, accounting, and other relief for marginal properties in appropriate circumstances. ONRR collects the information covered by this ICR for these purposes. ONRR shares information with the Bureau of Land Management, Bureau of Indian Affairs, Bureau of Safety and Environmental Enforcement, Bureau of Ocean Energy Management, and State governments for their land and lease management responsibilities.

(b) Federal Oil and Gas Royalties and Valuation

Title 30 CFR part 1202—Royalties, subparts B and C, and 30 CFR part 1206—Product Valuation, subparts C and D, require a lessee to provide certain information necessary to calculate royalties due to the United States. Information collected under these subparts is used for oil and gas valuation, calculating and allocating transportation and processing allowances, determining location and quality differentials, and allocating residue gas and gas plant products to leases. *See* §§ 1206.102, 1206.108, 1206.110, 1206.113, 1206.141, 1206.142, 1206.148, 1206.150, 1206.152 to 1206.154, 1206.160, and 1206.161.

Some information collected under parts 1202 and 1206 is submitted on form ONRR-2014 (Report of Sales and Royalty Remittance). This ICR does not include burden hours for submitting information on form ONRR-2014 because those burden hours are addressed in ONRR's ICR 1012-0004 (Royalty and Production Reporting). *See* Agency Information Collection Activities; Royalty and Production Reporting, 87 FR 3300 (January 21, 2022).

(c) Accounting and Auditing Relief for Marginal Properties

Title 30 U.S.C 1726 and 30 CFR part 1204 allow ONRR or a State that receives a statutorily prescribed portion of the royalties from a Federal lease to grant certain relief for marginal properties. This relief includes allowing a lessee to make a lump-sum advance payment of royalties instead of monthly royalty payments and various accounting and auditing relief options. *See* 30 CFR 1204.3. Lessees must submit information to ONRR for this relief. *See* §§ 1204.202, 1204.203, 1204.205, 1204.206, and 1204.209 to 1204.211.

(d) Requests to Exceed Allowance Limits

Title 30 CFR part 1206—Product Valuation, subparts C and D, prior to their amendment effective January 1, 2017, permitted a Federal oil and gas lessee to request to exceed certain caps that ONRR's regulations place on transportation and processing

allowances by filing form ONRR-4393 (Request to Exceed Regulatory Allowance Limitation), with supporting documentation. *See* §§ 1206.109(c)(2) (2016), 1206.153(c)(3) (2016), and 1206.158(c)(3) (2016). Subject to the statute of limitations, a lessee may file this form to request to exceed the caps for oil and gas produced prior to January 1, 2017.

This ICR does not include burden hours for submitting information on form ONRR-4393 for Indian leases because those burden hours are addressed in ONRR's ICR 1012-0002 (Indian Oil and Gas Valuation).

(e) Information Collections: This ICR covers the paperwork requirements under 30 CFR parts 1202, 1204, and 1206.

Title of Collection: Federal Oil and Gas Valuation—30 CFR Parts 1202, 1204 and 1206.

OMB Control Number: 1012-0005.

Form Number: ONRR-4393.

Type of Review: Extension of a currently approved collection.

Respondents/Affected Public: Businesses.

Total Estimated Number of Annual Respondents: 120 Federal lessees/designees and 7 States for Federal oil and gas.

Total Estimated Number of Annual Responses: 139.

Estimated Completion Time per Response: The average completion time is 71.32 hours per response. The average completion time is calculated by dividing the total estimated burden hours (9,913) by the estimated annual responses (139).

Estimated Number of Annual Burden Hours: 9,913 hours.

For this renewal cycle, the burden hours have decreased 105 hours in part 1206 due to the Consolidated Federal and Indian Oil & Gas and Federal & Indian Coal Valuation

Reform Final Reform Rule published on July 1, 2016 (81 FR 43337), and effective January 1, 2017.

Respondent's Obligation: The information that a lessee must submit pursuant to 30 CFR parts 1202 and 1206 for calculating royalties and other payment obligations for Federal oil and gas leases is mandatory. The information that a lessee must submit to obtain prepayment, accounting, or auditing relief for qualifying Federal marginal properties or to exceed the transportation and processing regulatory caps for oil and gas produced prior to 2017 is required to obtain or retain a benefit.

Frequency of Collection: Annually and on occasion.

Estimated Annual Nonhour Burden Cost: ONRR has identified no “nonhour” cost burden associated with the collection of information.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

Authority: Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq*).

Howard Cantor,
Acting Director, Office of Natural Resources Revenue.

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